

State of South Carolina
Office of the Solicitor
Fifteenth Judicial Circuit



Scott R. Hixson
Chief Deputy Solicitor

REPLY TO

P.O. BOX 1276
CONWAY, SC 29528
843-915-5460
FAX: 843-915-6461

Alicia A. Richardson
Deputy Solicitor

REPLY TO

P.O. BOX 1688
GEORGETOWN, SC 29442
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JIMMY A. RICHARDSON, II
Solicitor

February 28, 2019

Special Agent Jared Barkdoll
State Law Enforcement Division
P.O. Box 2198
Columbia, SC 29221-1398

Case Number: 33-18-0128
County: Horry
Subject(s): Barefoot, Luther
 Gardner, Johnny
Victim(s): Davis, Sandy
 Steele, Sherri
 Myrtle Beach Regional Economic Development Corporation

Special Agent Barkdoll,

I am writing in regard to the above-referenced finalized report of investigation you forwarded to our office on February 21, 2019. It is my understanding that your agency received a telephone call requesting SLED assistance in investigating an allegation stemming out of Horry County. Your agency agreed to assist and as is your standard practice, submitted the final report to the proper prosecutorial authority for review. We have reviewed this report in its entirety.

The nature of the initial complaint as well as the scope and subject matter of your agency's agreement to investigate is define in the first paragraph of your report as quoted below.

On December 20, 2018, the South Carolina Law Enforcement Division (SLED) receive a request from Horry County Administrator Chris Eldridge to investigate allegations that Horry County Chairman Johnny Gardner, and his business partner, Luther Barefoot attempted to extort Myrtle Beach Regional Economic Development Corporation (MBREDC) President Sandy Davis and Director of Investor Relations Sherri Steele. The alleged extortion attempt occurred during a meeting that took place at the restaurant, Rivertown Bistro, in Conway, South Carolina on November 30, 2018. Sled Captain (Capt.) Johnnie Abraham assigned Special Agent (S/A) Jared Barkdoll to conduct the investigation.

You requested this office review your findings for potential chargeable criminal wrongdoing by specific subjects allegedly occurring at a specific time. As such this response must be limited to this point of law as it would be improper to venture uninformed outside the scope of the legal question your agency asked us to answer. This response is intentionally silent as to any uninvestigated rumors, inadmissible speculation or collateral questions entirely outside the scope of the issue you agreed to investigate. Any such potential issues are properly addressed in another forum, if at all.

Based on the information you uncovered and provided in your report of investigation, there is no credible evidence of extortion by Luther "Luke" Barefoot or Johnny Gardner during a lunch business meeting at the Rivertown Bistro in Conway South Carolina on November 30, 2018.

Your report makes it clear that four individuals did attend a lunchtime business meeting on November 30, 2018 in Conway, South Carolina; Sandy Davis, Sherri Steele, Luther Barefoot and Johnny Gardner. Davis had been pursuing a meeting with the newly

elected Gardner for some time in hopes of promoting the work of the MBREDC as Gardner had raised questions concerning the effectiveness of the organization during his campaign. Davis's supervisor, MBREDC board chairman Henry Neyle Wilson and MBREDC past board chairman Fred Richardson were fully supportive of the meeting and had hoped to attend but were unable to do so. Davis and Sherri Steele were asked to take detailed notes during the meeting in order to report back to the board. Davis and Steele stated that they arrived at the restaurant before Barefoot and Gardner. The circular booth where they were seated by the hostess was too small for four adults with plates and notebooks so they decided to try to record the meeting on Steele's personal phone and then transcribe the important parts at a later time for the board. Barefoot and Gardner were unaware that the meeting was being recorded. (*See Attachment #4, #7*).

You obtained a complete original copy of this recording from Steele and we have reviewed it. Holiday music was playing in the restaurant at the time the meeting was recorded which made some sentences more difficult to hear so you had SLED forensic services make an exact copy of the original and then attempt to quiet down the background noise, which was somewhat successful. The recording of the conversation is consistent in form and content with what Davis, Steele, Barefoot and Gardner described to you in their individual interviews about what was discussed and the manner in which it was discussed. (*See Attachments #4, #7, #8, #9*).

In South Carolina, the crime of extortion is controlled by a statute and the relevant elements of the offense as it applies to the facts of your investigation are as follows;

S.C. Code of Laws §16-17-640 - verbally or by printing or writing or by electronic communications:

- (1) accusing another of a crime or offense;

- (2) exposing or publishing any of another's personal or business acts, infirmities, or failings; or
- (3) compelling any person to do any act,
- (4) with the intent to extort money or any other thing of value from any person,

Section 4:17 of Criminal Offenses in South Carolina, Third Edition 2018-2019 states in relevant part that because someone could engage in conduct that fits the technical description in element (2) cited above but could also include some constitutionally protected First Amendment free speech and free press rights, such as talking about a public figure or bad corporate activities and gaining something of value in doing so, that section is probably too vague to be constitutionally applied here. See Coates v. City of Cincinnati, 402 U.S. 611 (1971).

As such, the statutory element potentially applicable to your investigation is to “verbally **compel** any person to do any act with the **intent to extort** money”. The word “*compel*” as used in this statute is defined as “To urge forcefully; under extreme pressure.” Black’s Law Dictionary, Sixth Edition page 282. “Intent to extort” as used in this statute means having the state of mind to knowingly “exact something wrongfully by threats or putting in fear.” Black’s Law Dictionary, Sixth Edition page 585.

You found no evidence to show Barefoot or Gardner either verbally or nonverbally intentionally communicated any message to Davis and Steele forcefully, or applied extreme pressure to wrongfully exact something from them at a lunch meeting in Conway South Carolina on November 30, 2018. Your Memorandum of Interview documenting what Davis told you reads “President Davis never told anyone she felt like they tried to extort money.” “President Davis never told anyone that she felt pressured.” (See Attachment #4).

Director Steele said, “we never felt threatened or felt like we had to hire them or pay them any money.” (*Attachment #7, page 2, line 23*). She told you she never told anyone she felt threatened. (*Attachment #7, page 3 line 6*).

Davis and Steele told you that there was no threats or insinuation of threats made to them. In fact your investigation reveals substantial evidence of not just an absence of fear or threats, but that it was a positive meeting. You interviewed all four participants in the meeting. (*See Attachments; Davis #4, Steele #7, Barefoot #8, Gardner #9*). They described the meeting as “friendly”, “fun”, and when the meeting was over they walked out to the street together, hugged, and went their separate ways. Steele states that she and Davis left the meeting “feeling good”. (*See Attachment #7*).

You also discovered several pieces of evidence to independently corroborate Davis’s position that no threats, pressure or extortion occurred. Davis steadfastly maintained to you that she never told anyone that she did feel threatened. In the hours following the November 30, 2018 meeting, Davis called current MBREDC Board Chairman Neyle Wilson. Wilson independently corroborates Davis’s statement. (*See Attachment #13, “President Davis called Chairman Wilson to tell him she felt the meeting went well. President Davis was happy with how the meeting went. President Davis never told Chairman Wilson that she was concerned about the meeting”*).

Following the meeting Davis called MBREDC Past Board Chairman Fred Richardson to update him. Richardson independently corroborates Davis’s statement. (*See Attachment #14; “After the meeting, President Davis called him and told him the meeting went fine. In conversations with President Davis since, Past Chairman Richardson said that President Davis told him that she has never felt threatened or coerced in any way”*).

Additionally, you obtained cell phone information which shows that Administrator Eldridge texted Davis at 3:04 p.m. on November 30th 2018 to inquire about the meeting. Eldridge asked Davis “How did it go?” Davis replied by telling him “It was pretty good and enlightening. I’ll call you in a few.” (*See Attachment #5*).

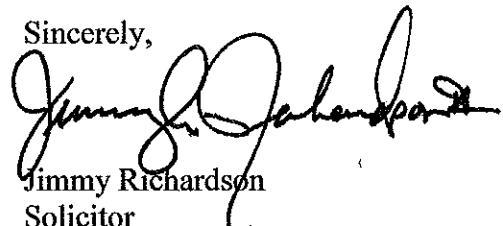
It is important to note that you did not uncover any mention of extortion claims from the time period of immediately after the meeting on November 30, 2018 until December 5, 2018. Davis and Attorney Carotti had a routine meeting previously scheduled for December 5. When you interviewed Carotti about these issues he provided you with a memorandum titled *Attorney-Client Privileged* and told you it was accurate and that you should rely on its contents. (*See Attachment #11*). In regards to this document, past Chairman Fred Richardson told you that he and Davis never had a conversation about Richardson giving someone a piece of his mind, (*See Attachment #14 page 3*).

Later that same day Davis met with Administrator Eldridge. Eldridge told you that Davis was upset at their December 5th meeting. He told you it was during this meeting that she told him about potential misconduct occurring at the lunch. (*See Attachment #10*). Eldridge and Carotti discussed the matter and made several attempts to listen to the recording, culminating in a visit to the MBREDC offices with several other individuals and listening to approximately four and a half minutes of it. The portion of the meeting he heard was when the conversation centered around the issue of Donald Smith being hired to do public relations work for the MBRC and the idea of the MBREDC buying advertising time during the Beach Ball Classic. Eldridge told you that upon hearing this line of discussion he was concerned so he and Carotti brought it to the attention of County Council members.

In closing, a prosecutor must rely on the testimony of the specific eyewitnesses to the event and their direct impressions from it, both spoken and unspoken, to come to a decision on a case that speaks the truth. Davis and Steele repeatedly state they were not threatened or extorted and they are the sole eyewitnesses to the event, or non-event as the case may be.

I am attaching documentation to this letter by way of several attachments so you can refer directly to the source material supporting this response to better understand its conclusion as it makes little sense to attempt to expand on or reword the findings you so effectively compiled. As always, if additional information comes to light that materially alters this position, we may revisit this decision. Thank you for your thorough efforts.

Sincerely,



Jimmy Richardson
Solicitor
15th Judicial Circuit



South Carolina Law Enforcement Division

*Henry D. McMaster, Governor
Mark A. Keel, Chief*

P.O. Box 21398
Columbia, South Carolina
29221-1398

Tel: (803) 737-9000

December 28, 2018

MEMORANDUM OF INTERVIEW

TO: 33-18-0128
FROM: Special Agent Jared Barkdoll
RE: Interview with Sandy Davis
COUNTY: Horry

*ATTACHMENT
#4*

Name: *Sandy Davis*
Address: *[REDACTED] Conway, SC 29526*
Phone: *843-[REDACTED] (Cell) / 843-[REDACTED] (Business)*
Employer: *Myrtle Beach Regional Economic Development Corporation*

On December 28, 2018, South Carolina Law Enforcement Division (SLED) Captain (Capt.) Johnnie Abraham and Special Agent (S/A) Jared Barkdoll conducted an interview with Myrtle Beach Regional Economic Development Corporation (MBREDC) President Sandy Davis at her residence located at [REDACTED]. The interview was video and audio recorded utilizing the CaseCracker Interview Management System (IMS). The original DVD recording will remain in the custody of the SLED Pee Dee Region Investigative Services Unit as a part of case file number 33-18-0128. The following is a brief summation of the recorded interview. The interview began at approximately 1205 hours. President Davis signed an Acknowledgement of Voluntary Statement Form (AVS) and provided the following information:



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ALI-359-T

In a prior conversation with Luther Barefoot before the scheduled meeting, Barefoot asked her if the MBREDC advertised in the Beach Ball Classic (BBC). President Davis told him that the MBREDC has not advertised during the BBC. President Davis was told by some of the MBREDC board members that they have advertised in the BBC and it was good for public relations. She asked Barefoot how much advertising during the BBC would cost. Barefoot told her that the packages ranged in price. The highest package costed \$40,000.00. President Davis told Barefoot that the MBREDC did not have the money in their budget for that price. Barefoot said that he would look into other packages and email her the prices. President Davis said that Barefoot never emailed her the BBC packages.

Prior to the meeting, MBREDC Chairman Henry Wilson and Past Chairman Fred Richardson told her that she needed to schedule a meeting with incoming Horry County Council Chairman Johnny Gardner. Chairman Wilson and Past Chairman Richardson wanted County Chairman Gardner to understand the MBREDC's purpose. President Davis said that both Chairman Wilson and Past Chairman Richardson planned to attended the meeting. After unsuccessful attempts to schedule the meeting, President Davis reached out to Barefoot to facilitate the meeting with County Chairman Gardner.

President Davis explained that the MBREDC heard during County Chairman Gardner campaign that he was uncertain about economic development. She also wanted to ask County Chairman Gardner if he would serve on the MBREDC Board of Directors. The Horry County Chairman had an appointed position on the MBREDC Board of Directors. The MBREDC also had their annual meeting approaching and they wanted to know if County Chairman Gardner would speak at the meeting. When Barefoot and County Chairman Gardner were finally able to meet on November 30, 2018, Chairman Wilson and Past Chairman Richardson were unable to attend the meeting due to personal reasons. Before the meeting took place, Chairman Wilson and Past Chairman Richardson told President Davis to take very good notes.

On November 30, 2018, President Davis and MBREDC Director of Investor Relations Sherri Steele were scheduled to meet with Barefoot and Chairman Gardner at the Rivertown Bistro in Conway, SC. Before Chairman Gardner and Barefoot arrived at the restaurant, President Davis and Director Steele decided to record the meeting on Director Steele's personal phone. Their reason for recording the meeting was because they did not have enough room at the table to take notes. President Davis and Director Steele were going to take their notes of the meeting from the recording. Chairman Gardner and Barefoot were not told that the meeting was being recorded at that time.

There were rumors leading up to the meeting about an article but President Davis did not believe they were important because they never addressed the article during the meeting.

Agent's Note: The rumors were that Grand Strand Daily Editor, Paul Gable was about to write a negative article about the MBREDC and President Davis. President Davis said that Barefoot and County Chairman Gardner never brought up the article. What was brought up during the meeting was an MBREDC announcement about B&B Crane Company. President Davis explained that on the bottom of that announcement, there was information on the amount of jobs the MBREDC announced over a period of five or six years. Barefoot had questions about how much money the MBREDC had received from Horry County versus the amount of jobs created. President Davis said, "that was the only thing mentioned about an article."

President Davis stated that the meeting led into conversations about how the MBREDC is funded and what the MBREDC uses their funding for. Barefoot had mentioned during a previous conversation about the MBREDC advertising in the BBC but Barefoot never forwarded her the information. President Davis' impression during the meeting on November 30, 2018 when Barefoot mentioned the BBC, was that the MBREDC did not have to advertise in the BBC if the MBREDC did not want to.

Barefoot brought up a conversation about who handled the MBREDC public relations. President Davis told them that Director Steele handled the public relations. Barefoot said

that Donald Smith would be a good person to handle their public relations. *Agent's Note: Donald Smith is a political consultant and was Gardner's campaign consultant.* President Davis did not remember Barefoot's exact words about Smith, but President Davis said, "there was never, you should pay him, you need write him a check, I mean this is how much it will cost you." The reason Barefoot brought up Smith was because of the press release about the eighteen hundred jobs versus the six million dollars that Horry County had given to the MBREDC over a period of six years. *Agent's Note: MBREDC's job announcement for B&B Crane Company.* Barefoot felt like people had questions about whether that money was worth it for those jobs. Barefoot said that if they did not have anyone to handle their public relations, that the MBREDC might want to consider Smith. Barefoot never told her that she had to hire Smith. There was no amount of salary discussed at the meeting for Smith's services. President Davis never told anyone she felt like they tried to extort money. When the meeting was over President Davis and Director Steele felt good about the meeting. They talked to Chairman Wilson and Past Chairman Richardson and told them that the meeting went well. President Davis never told anyone that she felt pressured. President Davis expressed that she never felt pressured, threatened or asked to do anything with Smith. Smith's services were just a suggestion from Barefoot.

Following the meeting, President Davis received a text message from Horry County Administrator Chris Eldridge asking her how the meeting went. President Davis responded to Administrator Eldridge's text, "it was pretty good and enlightening, I'll call you in a few." The next time President Davis and Administrator Eldridge spoke, she told him that the meeting went well. Administrator Eldridge asked her if anything was mentioned about the BBC. President Davis told Administrator Eldridge that the BBC was brought up but Barefoot did not send her the information. Administrator Eldridge asked President Davis if the negative article rumored to be written about her and the MBREDC was mentioned that during the meeting. President Davis told Administrator Eldridge that the only mention of an article was about the job announcement about the eighteen hundred jobs. Administrator Eldridge asked President Davis if there was a

conversation about Smith. President Davis told Administrator Eldridge there was a conversation about advertising in the BBC. Administrator Eldridge then told her (Davis) to write him a statement. The reason Administrator Eldridge wanted her to write a statement was because Smith was Gardner's campaign manager. Administrator Eldridge continued to say that they should not have brought up Smith. Administrator Eldridge said that was just a way to funnel money to Smith. After speaking with Director Steele, President Davis told Administrator Eldridge that they recorded the meeting. After she (Davis) told Administrator Eldridge that there was a recording of the meeting, she (Davis) has felt threatened every day since by Administrator Eldridge and Horry County Attorney Arrigo Carotti.

The next day, Administrator Eldridge called President Davis about getting a copy of the recording. Administrator Eldridge was going to send an Information Technology (IT) employee to copy the recording. President Davis informed Administrator Eldridge that Director Steele downloaded the recording to her (Steele's) Drop box. Attorney Carotti then called President Davis and requested a copy of the recording. President Davis told Attorney Carotti that she was not giving them a copy.

Chairman Wilson contacted Attorney Carotti to tell him that he listened to the recording of the meeting. Chairman Wilson told Attorney Carotti that President Davis and Director Steele did not feel threatened, and they did not feel like they were asked to do anything. Chairman Wilson told Attorney Carotti that while he listened to the recording, no one sounded tense or seemed threatened. Chairman Wilson told Attorney Carotti that no one asked for a payment. Chairman Wilson told Attorney Carotti that if they wanted to listen to the recording, they could come over to his office. The next day, Chairman Wilson sent Administrator Eldridge an email inviting him to listen to the recording.

On December 11, 2018, President Davis and Director Steele received a calendar invite request from Administrator Eldridge that was labeled "listen to taped conversation with Luke Barefoot and Johnny Gardner requesting payment from the EDC." Administrator

Eldridge requested the meeting for December 12, 2018 at 9:00 AM. President Davis nor Director Steele accepted the request because it was not true that Barefoot and County Chairman Gardner requested payment. On December 12, 2018, Administrator Eldridge and Attorney Carotti showed up at President Davis' Office. The receptionist told them that President Davis and Director Steele were not available.

On December 19, 2018, President Davis, Director Steele, Chairman Wilson, Administrator Eldridge, Attorney Carotti, Councilman Gary Loftus, Horry County Past Chairman Mark Lazarus met at the MBREDC to listen to the recorded meeting. They did not listen to the entire recording. They did listen to the part of the recording when the BBC and the article were mentioned. President Davis said that Attorney Carotti and Councilman Loftus said that they did not hear anything. Past County Chairman Lazarus said that he did not hear anything, but he could understand why someone would believe that they implied it. Administrator Eldridge said that he could hear it, and he wanted a copy of the recording. President Davis believed the reason Administrator Eldridge wanted a copy was because he wanted to release the recording before County Chairman Gardner was sworn in as Horry County Chairman.

Agent's Note: The CaseCracker IMS is a proprietary software system designed for the recording and management of investigative interviews. The time stamped labeling on the referenced recording may not reflect the listed time on the Memorandum of Interview due to the CaseCracker IMS.

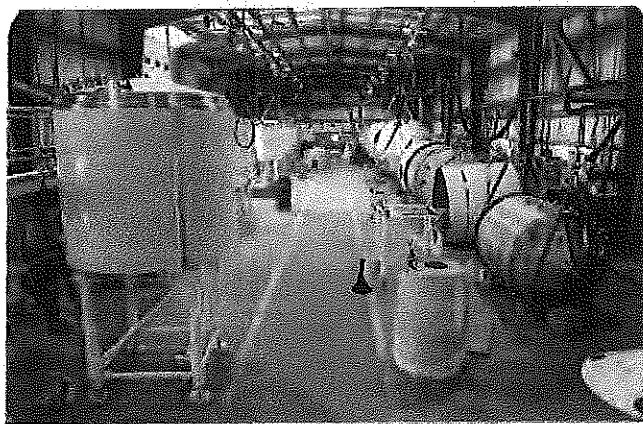
11:23 ↗



Chris >

ATTACHMENT

5



One of Canada's largest manufacturers
of brewing equipment announces
receivership
bensbeerblog.com

Lunch changed to the bistro.

Fri, Nov 30, 3:04 PM

How did it go?

Text Message

How did it go?

iMessage

It was pretty good and
enlightening. I'll call you in a
few.



iMessage



Apple Pay





South Carolina Law Enforcement Division

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*Henry D. McMaster, Governor
Mark A. Keel, Chief*

Tel: (803) 737-9000

December 28, 2018

MEMORANDUM OF INTERVIEW

*ATTACHMENT
7*

TO: 33-18-0128
FROM: Special Agent Jared Barkdoll
RE: Interview with Sherri Steele
COUNTY: Horry

Name: *Sherri Steele*
Address: [REDACTED] SC 29526
Phone: 843-[REDACTED] (Cell) / 843-[REDACTED] (Business)
Employer: *Myrtle Beach Regional Economic Development*

On December 28, 2018, South Carolina Law Enforcement Division (SLED) Captain (Capt.) Johnnie Abraham and Special Agent (S/A) Jared Barkdoll conducted an interview with Myrtle Beach Regional Economic Development Corporation (MBREDC) Director of Investor Relations Sherri Steele at MBREDC President Sandy Davis' residence located at [REDACTED]. The interview was video and audio recorded utilizing the CaseCracker Interview Management System (IMS). The original DVD recording will remain in the custody of the SLED Pee Dee Region Investigative Services Unit as a part of case file number 33-18-0128. The following is a brief summation of the recorded interview. The interview began at approximately 1300 hours. Steele signed an Acknowledgement of Voluntary Statement Form (AVS) and provided the following information:



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Prior to the meeting, President Davis tried for three weeks to schedule a meeting with incoming Horry County Chairman Johnny Gardner. The reason the MBREDC wanted to meet with County Chairman Gardner was because the MBREDC annual meeting was approaching. The County Chairman usually spoke during their annual meeting. Director Steele and President Davis heard during County Chairman Gardner's campaign that he did not support the MBREDC. There was a possibility that money could be moved from the MBREDC to Horry County Public Safety. Director Steele and President Davis wanted County Chairman Gardner to have a better understanding of the MBREDC's purpose. After they were able to get a meeting scheduled, the MBREDC Chairman Henry Wilson and Past Chairman Fred Richardson asked her and President Davis to take good notes. Chairman Wilson and Past Chairman Richardson were unable to attend the meeting. President Davis and Director Steele decided to record the meeting with Director Steele's personal phone. Director Steele thought it would be easier to record the meeting, so their conversation was not fabricated or embellished.

On November 30, 2018, Director Steele and President Davis met with County Chairman Gardner and his business partner, Luther Barefoot at Rivertown Bistro in Conway, SC. The conversation with County Chairman Gardner and Barefoot went well. County Chairman Gardner and Barefoot asked questions. President Davis helped clear up questions about the MBREDC funding. Director Steele said that Barefoot just suggested Donald Smith. Barefoot explained to Director Steele and President Davis that Smith was good at public relations. Barefoot thought Smith would be beneficial. Director Steele said, "we never felt threatened or felt like we had to hire them or pay them any money." President Davis told Barefoot and County Chairman Gardner that Smith was welcome to put a proposal together. President Davis told Barefoot and County Chairman Gardner that if Smith became a MBREDC member, he (Smith) would get member advantages. Director Steele did not remember the details about the conversation about the Beach Ball Classic (BBC). However, she did remember something about advertising in the BBC. Director Steele remembered President Davis

tell County Chairman Gardner and Barefoot that she (Davis) heard an article was going to be written about her (Davis') education. President Davis and Director Steele both left the meeting with County Chairman Gardner and Barefoot feeling good.

Director Steele and President Davis did not listen to the recording until Horry County Administrator Chris Eldridge started to ask for it. Director Steele never felt threatened and never told anyone she felt threatened. After Administrator Eldridge wanted the recording, he started to say words like "extortion." Director Steele said, "I just want it to be known that the only time that I have felt bothered, harassed, or felt anxiety over any of this was from Chris." *Agent's Note: "Chris" is Administrator Eldridge.* From the beginning, Director Steele felt that Administrator Eldridge wanted the recording for malicious reasons.

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**South Carolina
Law Enforcement Division**

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*Henry D. McMaster, Governor
Mark A. Keel, Chief*

Tel: (803) 737-9000

January 8, 2019

MEMORANDUM OF INTERVIEW

TO: 33-18-0128
FROM: Special Agent Jared Barkdoll
RE: Interview with Luther Barefoot
COUNTY: Horry

ATTACHMENT
#8

Name: *Luther "Luke" Barefoot*
Address: *[REDACTED], Conway, SC 29526*
Phone: *843-[REDACTED]*
DOB: *[REDACTED]*
Employer: *Johnny Gardner Law Group, P.A.*

On January 8, 2019, South Carolina Law Enforcement Division (SLED) Captain (Capt.) Johnnie Abraham and Special Agent (S/A) Jared Barkdoll conducted an interview with Luther Barefoot at the Johnny Gardner Law Group, P.A., office located at [REDACTED], Conway, SC. Also present during the interview was Attorney Peter Hearn. The interview was video and audio recorded utilizing the CaseCracker Interview Management System (IMS). The original DVD recording will remain in the custody of the SLED Pee Dee Region Investigative Services Unit as a part of case file number 33-18-0128. The following is a brief summation of the recorded interview. The interview began at approximately 1350 hours. Barefoot signed an Acknowledgement of Voluntary Statement Form (AVS) and provided the following information:



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During County Chairman Gardner's campaign for County Chairman, one of his campaign themes was public safety. People wanted to know how County Chairman Gardner was going to afford underwriting and increasing public safety. During the campaign it was mentioned that Horry County was giving \$1.3 million to the Myrtle Beach Regional Economic Development Corporation (MBREDC) each year. Also someone said that since the MBREDC inception, they have only gained a net of two hundred jobs. President Davis contacted Barefoot during County Chairman Gardner's campaign, and Barefoot told her if she had information that rebuts that claim, to send it to him, and he would share the information with County Chairman Gardner.

Prior to the meeting on November 30, 2018, Barefoot met with MBREDC Past Chairman Fred Richardson. Past Chairman Richardson told Barefoot that they were going to promote President Sandy Davis into her current position as MBREDC President. Past Chairman Richardson hoped that County Chairman Johnny Gardner would not do away with the MBREDC. On another occasion prior to the meeting, Barefoot, Past Chairman Richardson, and President Davis had lunch together, and Barefoot suggested that they hire Donald Smith. Smith owns Lucky Dog Television Productions; he produces a local television show called "River Talk." Smith was County Chairman Gardner's campaign consultant and Barefoot said that Smith is a friend that he has known for years. He suggested Smith because Horry County did not have an interstate highway and had limited rail services, so it was not a typical economic development situation. Barefoot suggested that they look into sports tourism because it is a growing trend. The former Mayor of Myrtle Beach, John Rhoads, is the Executive Director of the Beach Ball Classic (BBC). The BBC is televised nation-wide, and if the MBREDC was promoting economic development, Barefoot suggested that they advertised in the BBC.

During another conversation, prior to the meeting, President Davis approached Barefoot with concerns about the funding for the MBREDC. Barefoot made a suggestion that if he was them, he would hire Smith. Barefoot said that he believed that he repeated the same suggestion during the November 30, 2018, meeting. Barefoot was not positive, but he

believed he said, “if it were me, I’d hire Donald Smith.” Barefoot suggested Smith because of the MBREDC public relations issues. When describing MBREDC public relation issues and suggesting Smith, Barefoot said, “trying to turn a negative force out there more in their direction that’s what I’d do.”

Leading up to the meeting on November 30, 2018, President Davis called Barefoot because she had not been able to make contact with County Chairman Gardner. She wanted to schedule a meeting with him (Gardner) because he was the incoming Horry County Chairman. Barefoot said that he has been a supporter of the MBREDC for a long time. Barefoot told President Davis that he would also attend the meeting.

On November 30, 2018, Barefoot and County Chairman Gardner met with President Davis and MBREDC Director of Investor Relations Sherri Steele at Rivertown Bistro in Conway, SC. The conversation was friendly, and it was the first time that County Chairman Gardner had met President Davis and Director Steele. The MBREDC had their annual meeting approaching, and normally the county chairman gives a county update at that meeting. President Davis asked County Chairman Gardner if he wanted to give the update at the MBREDC annual meeting.

During the meeting, they also discussed Paul Gable, who is a columnist for the Grand Strand Daily. Gable is not a fan of the MBREDC. There was a rumor that Gable was going to write a negative article about President Davis. The rumored articles’ purpose was to attack President Davis’ background and lack of education. Barefoot and County Chairman Gardner never told President Davis or Director Steele during the meeting that they had to hire Smith. Barefoot said that it was a fun meeting, and when the meeting was over, they walked out the front door and hugged.

After the meeting, President Davis contacted him to tell him that the meeting was recorded. Since MBREDC Chairman Henry Wilson and Past Chairman Richardson were unable to attend the meeting, President Davis and Director Steele decided at the last

minute to record it. They wanted to make sure that they could report back to Chairman Wilson and Past Chairman Richardson everything that was discussed during the meeting.

Barefoot reiterated that anything that he said about the MBREDC and hiring Smith was meant as a suggestion. Barefoot's intention was to help the MBREDC by giving President Davis suggestions. Barefoot said that there was no extortion, and his suggestion was taken totally out of context. Barefoot was certain that President Davis and Director Steele did not feel like they were being extorted or pressured.

Agent's Note: The CaseCracker IMS is a proprietary software system designed for the recording and management of investigative interviews. The time stamped labeling on the referenced recording may not reflect the listed time on the Memorandum of Interview due to the CaseCracker IMS.



South Carolina Law Enforcement Division

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*Henry D. McMaster, Governor
Mark A. Keel, Chief*

Tel: (803) 737-9000

January 8, 2019

MEMORANDUM OF INTERVIEW

ATTACHMENT

9

TO: 33-18-0128
FROM: Special Agent Jared Barkdoll
RE: Interview with Johnny Gardner
COUNTY: Horry

Name: *Johnny Gardner*
Address: *[REDACTED] Conway, SC 29526*
Phone: *843-[REDACTED]*
DOB: *[REDACTED]*
Employer: *Johnny Gardner Law Group, P.A.*

On January 8, 2019, South Carolina Law Enforcement Division (SLED) Captain (Capt.) Johnnie Abraham and Special Agent (S/A) Jared Barkdoll conducted an interview with Horry County Chairman Johnny Gardner at the Johnny Gardner Law Group, P.A., office located at [REDACTED], Conway, SC. Also present during the interview was Attorney Peter Hearn. The interview was video and audio recorded utilizing the CaseCracker Interview Management System (IMS). The original DVD recording will remain in the custody of the SLED Pee Dee Region Investigative Services Unit as a part of case file number 33-18-0128. The following is a brief summation of the recorded interview. The interview began at approximately 1417 hours. County Chairman Gardner signed an



An Accredited Law Enforcement Agency



ALI-359-T

Acknowledgement of Voluntary Statement Form (AVS) and provided the following information:

County Chairman Gardner explained that his campaign was run primarily on public safety. He was constantly being asked where was he going to get the money. County Chairman Gardner would tell people that they were going to breakdown the budget and focus on the county's spending. The priority would be on public safety first, and then they would do other stuff within the county. During his campaign, one of his main focuses was on the \$1.3 million that Horry County Government (HCG) gave the Myrtle Beach Regional Economic Development Corporation (MBREDC). County Chairman Gardner thought the money budgeted for the MBREDC might be better spent elsewhere. It had appeared that the MBREDC had not had much return on that investment. Donald Smith was his campaign consultant during his campaign.

The meeting, to the best of County Chairman Gardner's knowledge, was set up on the behalf of the MBREDC. The MBREDC contacted his business partner, Luther Barefoot about scheduling a meeting with him. Barefoot told him that the MBREDC wanted to sit down for lunch. County Chairman Gardner had never met with MBREDC President Sandy Davis or Director of Investor Relations Sherri Steele. County Chairman Gardner had never had any type of contact with President Davis or Director Steele prior to the meeting.

On November 30, 2018, County Chairman Gardner and Barefoot met with President Davis and Director Steele at the Rivertown Bistro in Conway, SC. President Davis asked him if he would give a speech in January that he was not aware he was expected to give. President Davis told him that the County Chairman was on the MBREDC board and gave a speech at their January meeting. Count Chairman Gardner remembered President Davis told them that the MBREDC was self-sustaining. He also remembered President Davis saying that the county gave them money, but they held it back. County Chairman Gardner believed President Davis told them that the money they held back was

\$400,000.00. From the conversations during the meeting, County Chairman Gardner's understanding of what the MBREDC did was that they brought businesses to Horry County. County Chairman Gardner did not particularly remember a conversation about Smith. County Chairman Gardner did not recall a conversation during the meeting about numbers like money. County Chairman Gardner also did not recall the Beach Ball Classic (BBC) being brought up during the meeting. Chairman Gardner said that he was not really engaged in the meeting with President Davis and Director Steele. County Chairman Gardner said that he did not remember much of what was discussed at the meeting. There were no threats made during the meeting. It was a friendly meeting.

County Chairman Gardner and Horry County Administrator Chris Eldridge had a luncheon before the allegations of extortion. During the meeting with Administrator Eldridge, County Chairman Gardner discussed one of the reasons he was elected County Chairman. That reason was that a lot of people voted for him (Gardner) because they did not like Administrator Eldridge. They spoke about the elected officials which included the Sheriff, Treasurer, Probate Judge, Auditor, Clerk of Court, and Solicitor. Administrator Eldridge told County Chairman Gardner that he had a good working relationship with them. That comment surprised County Chairman Gardner because he did not think that Administrator Eldridge had a good working relationship with the elected officials. County Chairman Gardner said that it was a good meeting.

When County Chairman Gardner first heard about the recording and the story that was printed, he tried to stay out of it. County Chairman Gardner knew that he did not do anything wrong. He knew the story in the paper was ridiculous, and no one would believe it. County Chairman Gardner was upset that Horry County Attorney Arrigo Carotti's narrative titled *Attorney-Client Privileged* was released before he was sworn in as Horry County Chairman. County Chairman Gardner stated that he read some of the newspaper articles and editorials about the meeting with the MBREDC. Chairman Gardner absolutely did not hear anything during the meeting that resembled the stories that were in the articles that he read.

January 8, 2018

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Agent's Note: The CaseCracker IMS is a proprietary software system designed for the recording and management of investigative interviews. The time stamped labeling on the referenced recording may not reflect the listed time on the Memorandum of Interview due to the CaseCracker IMS.



South Carolina Law Enforcement Division

Henry D. McMaster, Governor
Mark A. Keel, Chief

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January 7, 2019

MEMORANDUM OF INTERVIEW

*ATTACHMENT
10*

TO: 33-18-0128
FROM: Special Agent Jared Barkdoll
RE: Interview with Chris Eldridge
COUNTY: Horry

Name: *Chris Eldridge*
Address: *[REDACTED], Conway, SC 29526*
Phone: *843-[REDACTED] (Office) / 843-[REDACTED] (Cell)*
DOB: *[REDACTED]*
Employer: *Horry County Government*

On January 7, 2019, South Carolina Law Enforcement Division (SLED) Captain (Capt.) Johnnie Abraham and Special Agent (S/A) Jared Barkdoll conducted an interview with Horry County Administrator Chris Eldridge at the Horry County Government Building located at 1301 2nd Ave., Conway, SC. The interview was video and audio recorded utilizing the CaseCracker Interview Management System (IMS). The original DVD recording will remain in the custody of the SLED Pee Dee Region Investigative Services Unit as a part of case file number 33-18-0128. The following is a brief summation of the recorded interview. The interview began at approximately 1340 hours. Administrator Eldridge signed an Acknowledgement of Voluntary Statement Form (AVS) and provided the following information:



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ALI-359-T

Administrator Eldridge explained that Myrtle Beach Regional Economic Development Corporation (MBREDC) President Sandy Davis mentioned to him, prior to her meeting with Horry County Chairman Johnny Gardner and Luther Barefoot, that she was nervous. President Davis was concerned about whether County Chairman Gardner was going to support the MBREDC. President Davis told him that she did not know what the meeting with Barefoot and County Chairman Gardner was about. It was his (Eldridge) impression that County Chairman Gardner and Barefoot arranged the meeting with President Davis but Administrator Eldridge is not for certain who called the meeting. Administrator Eldridge suggested that she not go to the meeting. President Davis told him that she would have someone go with her.

After the meeting occurred, Administrator Eldridge met with President Davis, and she was upset. President Davis told him that Barefoot and County Chairman Gardner asked for money for Donald Smith. They said something about paying the money to the Beach Ball Classic (BBC). Barefoot and County Chairman Gardner were specific when they asked for a \$30,000.00 or \$40,000.00 donation. President Davis told County Chairman Gardner and Barefoot that she could not approve that amount of money. She would have to go through the procurement process. Then Barefoot and County Chairman Gardner asked how much she could approve without going to her board. Administrator Eldridge said that President Davis told them that she could not approve anything over \$5,000.00. They then asked if she could approve \$4,000.00, and President Davis told them that she would not approve that amount of money without going to the board. Administrator Eldridge did not hear this information on the short audio clip that he listened to on December 19, 2018. This information was either from a prior conversation or a part of the recording that was not played.

Prior to the meeting, President Davis and MBREDC Director of Investor Relations Sherri Steele discussed recording the meeting with County Chairman Gardner and Barefoot. Director Steele was nervous about recording because she did not want to get caught. After the meeting was over, Director Steele told President Davis that she recorded the

meeting. When President Davis told him (Eldridge) that there was a recording of the meeting, he requested a copy. Administrator Eldridge sent an Information Technology (IT) employee to obtain a copy of the recording from Director Steele's cell phone. President Davis told him that they transferred the recording to a Dropbox file. Administrator Eldridge said that they (Davis & Steele) would not give the recording to IT. He did not know why President Davis would not turn over the recording.

In early December of 2018, Administrator Eldridge met with County Chairman Gardner and their meeting went well. Administrator Eldridge said that County Chairman Gardner was honest during the meeting. County Chairman Gardner told Administrator Eldridge that a lot of people wanted him (Eldridge) gone. County Chairman Gardner did not tell him (Eldridge) that he was going to fire him. Administrator Eldridge stated that his relationship with County Chairman Gardner was pretty good. Though, County Chairman Gardner was upset about this particular situation. County Chairman Gardner believed that somehow he (Eldridge) orchestrated the situation.

Administrator Eldridge sent President Davis and Director Steele a calendar invite to listen to the recording. Neither President Davis or Director Steele responded to the invitation. Administrator Eldridge and Horry County Attorney Arrigo Carotti went to President Davis' office for the meeting. Neither President Davis nor Director Steele were available.

Administrator Eldridge finally was able to get the opportunity to listen to the recorded meeting. The entire recording was not made available. During this meeting, they were only played three or four minutes of the recording. The meeting consisted of MBREDC Chairman Henry Wilson, President Davis, and Director Steele. Horry County Attorney Arrigo Carotti, Past County Chairman Mark Lazarus, and County Councilman Gary Loftus were also a part of the meeting. While listening to the recording, Administrator Eldridge heard a conversation about payment and the political influence that Smith had. Barefoot said that Smith controlled county council member votes. Administrator

Eldridge felt that the conversation implied that it was in President Davis' best interest to hire Smith. The BBC was also mentioned during the short clip played. Afterward, Administrator Eldridge found out that Smith does the production work for the BBC.

When asked about the extortion claim, Administrator Eldridge said, "umm that seemed like the word, pay me or this is going to happen or pay me to make something happen. That's, that's what it sounds like, umm that's what, that was the concern." The payment did not make sense, there was no reason for the MBREDC to sponsor the BBC. The need for Smith for public relations for the MBREDC also did not make sense. The question he had was why the interest in giving Smith any money.

After the meeting, Attorney Carotti felt the Horry County Council needed to be informed about the situation. Attorney Carotti had been documenting the events from the beginning. Attorney Carotti's narrative titled *Attorney-Client Privileged* was provided to all county council members. Administrator Eldridge stated that he heard from some council members that this needed to be looked into by SLED.

Administrator Eldridge believed that his job as the County Administrator was in jeopardy. He stated that there was a special council meeting called. Prior to the special council meeting, he spoke with council members, and it was said that there was an effort to terminate him. The county council did not have the votes to terminate him, but they were trying to suspend him with pay. Administrator Eldridge told the council members that he did nothing wrong. He would not agree to any type of suspension. During the special council meeting, there was a motion to go into executive session. A council member referenced state law that required notice before terminating a county administrator. They attempted to go back into executive session again to discuss the issue, but that motion also failed.

Agent's Note: The CaseCracker IMS is a proprietary software system designed for the recording and management of investigative interviews. The time stamped labeling on

January 7, 2019

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the referenced recording may not reflect the listed time on the Memorandum of Interview due to the CaseCracker IMS.



South Carolina Law Enforcement Division

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*Henry D. McMaster, Governor
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January 7, 2019

MEMORANDUM OF INTERVIEW

ATTACHMENT
11

TO: 33-18-0128
FROM: Special Agent Jared Barkdoll
RE: Interview with Arrigo Carotti
COUNTY: Horry

Name: *Arrigo Carotti*
Address: [REDACTED] SC 29526
Phone: 843-[REDACTED] (Office) / 843-[REDACTED] (Cell)
DOB: [REDACTED]
Employer: *Horry County Government*

On January 7, 2019, South Carolina Law Enforcement Division (SLED) Captain (Capt.) Johnnie Abraham and Special Agent (S/A) Jared Barkdoll conducted an interview with Horry County Attorney Arrigo Carotti at the Horry County Government Building located at [REDACTED], Conway, SC. The interview was video and audio recorded utilizing the CaseCracker Interview Management System (IMS). The original DVD recording will remain in the custody of the SLED Pee Dee Region Investigative Services Unit as a part of case file number 33-18-0128. The following is a brief summation of the recorded interview. The interview began at approximately 1152 hours. Attorney Carotti signed an Acknowledgement of Voluntary Statement Form (AVS), and provided the following information:



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ALI-359-T

Prior to the interview, Attorney Carotti provided Capt. Abraham and S/A Barkdoll each with a copy of his narrative titled *Attorney-Client Privileged*. This document is contained in Attachment One of the Investigative Report for case file number 33-18-0128. During the interview, Attorney Carotti told Capt. Abraham and S/A Barkdoll that he would like to refer to his narrative. Attorney Carotti also wanted to make and use his narrative as his official statement. Attorney Carotti was given an opportunity during the interview to read his narrative. After he finished reading, Attorney Carotti said, “I stand by everything that’s in that memo to the best of my recollection today and I would suggest that you rely on it.”

Attorney Carotti explained that his client is Horry County Government (HCG). Attorney Carotti continued to explain that he represents the county administrator and at any given time a majority of county council. He also represents any individual affiliated with HCG or component, unit, division and/or department as long as their interests do not conflict with his core client. As the county attorney, Attorney Carotti’s core client is the county administrator and a majority of county council.

Attorney Carotti met with Myrtle Beach Regional Economic Development Corporation (MBREDC) President Sandy Davis on December 5, 2018, and President Davis did not tell him there was a recording of the meeting. Later that evening on December 5, 2018, Administrator Eldridge had a conversation with President Davis, and she told him that there was a recording. On December 6, 2018, Administrator Eldridge requested a copy of the recorded meeting, but President Davis declined. Attorney Carotti contacted President Davis later that day by telephone to follow-up with Administrator Eldridge’s request for a copy of the recording. Attorney Carotti explained to President Davis that this situation was not necessarily a personal issue for her (Davis), but if there was a potential victim in this, it was the MBREDC. The MBREDC is funded by HCG. He further explained that potential victims of money being paid out by the MBREDC would be the MBREDC and HCG, not President Davis personally.

On December 7, 2018, MBREDC Chairman Henry Wilson reached out to Administrator Eldridge to let him know that he could listen to the recording. Attorney Carotti viewed this as a mediated resolution because the MBREDC was not giving up the recording, but they would allow Administrator Eldridge to listen to it. Administrator Eldridge was not one hundred percent satisfied.

Administrator Eldridge sent a meeting request to President Davis and MBREDC Director of Investor Relations Sherri Steele to get together at 9:00 AM on December 12, 2018, to listen to the recording. Attorney Carotti stated that President Davis never responded to the request. On the morning of December 12, 2018, Attorney Carotti and Administrator Eldridge went to President Davis' office to meet her to listen to the recording. When they arrived, they were told by the receptionist that President Davis and Director Steele were not available. Later that day, Chairman Wilson sent Administrator Eldridge an email that told him (Eldridge) that the MBREDC's offer to listen to the recording was still available.

Administrator Eldridge requested another meeting to listen to the recorded meeting. On December 19, 2018, the meeting was held at President Davis' office, which he believed is located at [REDACTED] on Horry-Georgetown Technical College (HGTC) campus. During the meeting, the MBREDC was represented by Chairman Wilson, Director Steele, and President Davis. HCG was represented by Administrator Eldridge, Attorney Carotti, Past County Chairman Mark Lazarus, and Councilman Gary Loftus.

On December 19, 2018, Attorney Carotti emailed his narrative titled *Attorney-Client Privileged* to Administrator Eldridge and Past County Chairman Lazarus. They indicated to Attorney Carotti that they would disseminate the narrative to the rest of the council members. When Administrator Eldridge sent the narrative to the council members he explained in the email that the narrative was attorney-client privileged information. On December 20, 2018, when Attorney Carotti came to work, he was told that he made FitsNews. He searched the internet and found the article. FitsNews made claims of

extortion and published his narrative titled *Attorney-Client Privileged* on their blog. Someone violated the attorney-client privilege. Attorney Carotti said that he does not know the elements of extortion and that he draws no conclusions if this was extortion or not. Attorney Carotti does not know why FitsNews published the claims of extortion.

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**South Carolina
Law Enforcement Division**

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January 10, 2019

MEMORANDUM OF INTERVIEW

ATTACHMENT

#13

TO: 33-18-0128
FROM: Special Agent Jared Barkdoll
RE: Interview with Henry Wilson
COUNTY: Horry

Name: *Henry Neyle Wilson*
Address: *[REDACTED] Myrtle Beach, SC*
Phone: *843-[REDACTED]*
DOB: *[REDACTED]*
Employer: *Horry Georgetown Technical College Foundation*

On January 10, 2019, South Carolina Law Enforcement Division (SLED) Captain (Capt.) Johnnie Abraham and Special Agent (S/A) Jared Barkdoll conducted an interview with Myrtle Beach Regional Economic Development Corporation (MBREDC) Chairman Henry Wilson at the Horry Georgetown Technical College Foundation Library located at [REDACTED], Myrtle Beach, SC. The interview was video and audio recorded utilizing the CaseCracker Interview Management System (IMS). The original DVD recording will remain in the custody of the SLED Pee Dee Region Investigative Services Unit as a part of case file number 33-18-0128. The following is a brief summation of the recorded interview. The interview began at approximately 1105 hours. Chairman



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ALI-359-T

Wilson signed an Acknowledgement of Voluntary Statement Form (AVS) and provided the following information:

The MBREDC heard that incoming Horry County Chairman Johnny Gardner was possibly not going to support them. Chairman Wilson explained that some of County Chairman Gardner's campaign literature indicated that he did not understand the MBREDC, and County Chairman Gardner was not sure if he would support them. Chairman Wilson encouraged MBREDC President Sandy Davis to meet with County Chairman Gardner to explain what the MBREDC was and how the MBREDC got their funding. Chairman Wilson also wanted her to explain the MBREDC's purpose to County Chairman Gardner. He wanted to show County Chairman Gardner that the MBREDC was effective and that they should continue to get funded.

President Davis was able to schedule the meeting with County Chairman Gardner for November 30, 2018. He was going to be out of town on a hunting trip, but he hoped that MBREDC Past Chairman Fred Richardson would be able to attend. Past Chairman Richardson was also unable to attend the meeting because his wife became ill. Past Chairman Richardson's wife has since passed away. On November 30, 2018, following the meeting with County Chairman Gardner and Luther Barefoot, President Davis called Chairman Wilson to tell him she felt that the meeting went well. President Davis felt like she was able to enlighten County Chairman Gardner on the MBREDC's purpose. President Davis was happy about how the meeting went. President Davis never told Chairman Wilson that she was concerned about the meeting.

President Davis met with either or both, Horry County Administrator Chris Eldridge and Horry County Attorney Arrigo Carotti the following week. President Davis explained to Administrator Eldridge and Attorney Carotti that during the meeting, Barefoot asked if the MBREDC had ever considered a public relations firm. Barefoot suggested Donald Smith if President Davis were ever to consider a public relations firm. Administrator Eldridge and Attorney Carotti wanted a statement from President Davis and MBREDC

Director of Investor Relations Sherri Steele. When President Davis spoke with Director Steele, Director Steele told her that she recorded the meeting. Administrator Eldridge and Attorney Carotti wanted a copy of that recording.

When he returned from his hunting trip, he listened to the recording of the meeting. Chairman Wilson did not hear anything on the recording that he believed was extortion. Chairman Wilson said, “there was nothing on there that really disturbed me.” Chairman Wilson told President Davis that it was poor judgement to record the meeting without telling County Chairman Gardner and Barefoot. President Davis told Chairman Wilson that she was concerned because she wanted to report the meeting accurately to the board.

On December 7, 2018, Chairman Wilson received an email from Administrator Eldridge about obtaining a copy of the recording. Administrator Eldridge told Chairman Wilson in an email that he could provide a Freedom of Information Act (FOIA) request for the recording. Chairman Wilson responded back to Administrator Eldridge’s email and suggested that he listen to the recording to determine if further action needed to be taken. Chairman Wilson stated that he did not hear back from Administrator Eldridge.

On December 12, 2018, Chairman Wilson emailed Administrator Eldridge because he did not hear back from him (Eldridge). Chairman Wilson asked Administrator Eldridge in the email if he accepted the offer to listen to the recording. If he (Eldridge) did accept the offer, Chairman Wilson wanted him to give some dates and times to listen to it. Administrator Eldridge responded to Chairman Wilson’s email later that day. Administrator Eldridge said that they could discuss it at the board meeting the following day. *Agent's Note: The recording was never brought up by Administrator Eldridge or anyone else at the board meeting.* Chairman Wilson said that when he read the email, Administrator Eldridge’s comment that something of this nature cannot be “brushed under the rug” was alarming to him. That comment was alarming because Chairman Wilson felt that Administrator Eldridge had accused the MBREDC of hiding something.

Chairman Wilson responded by emailing him back, acknowledging the existence of the recording.

On December 19, 2018, they listened to the recording in President Davis' office. Administrator Eldridge said that he wanted a copy of the recording. Chairman Wilson told Administrator Eldridge that the MBREDC reported directly to the county council. If the MBREDC received an official request from the county council, Chairman Wilson would take it to the executive committee and likely turn over the recording. The next morning, Chairman Wilson was notified of the article in FitsNews. The article had a copy of Attorney Carotti's narrative.

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South Carolina Law Enforcement Division

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January 10, 2019

MEMORANDUM OF INTERVIEW

*ATTACHMENT
14*

TO: 33-18-0128
FROM: Special Agent Jared Barkdoll
RE: Interview with Fred Richardson
COUNTY: Horry

Name: *Fred R. Richardson*
Address: [REDACTED], Conway, SC 29526
Phone: 843-[REDACTED]
DOB: [REDACTED]
Employer: *Grand Strand Water & Sewer Authority*

On January 10, 2019, South Carolina Law Enforcement Division (SLED) Captain (Capt.) Johnnie Abraham and Special Agent (S/A) Jared Barkdoll conducted an interview with Myrtle Beach Regional Economic Development Corporation (MBREDC) Past Chairman Fred Richardson at the Grand Strand Water & Sewer Authority (GSW&SA) located at [REDACTED], Conway, SC. The interview was video and audio recorded utilizing the CaseCracker Interview Management System (IMS). The original DVD recording will remain in the custody of the SLED Pee Dee Region Investigative Services Unit as a part of case file number 33-18-0128. The following is a brief summation of the recorded interview. The interview began at approximately 1205 hours. Past Chairman



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ALL-359-T

Richardson signed an Acknowledgement of Voluntary Statement Form (AVS) and provided the following information:

Past Chairman Richardson explained that the MBREDC has had a difficult time retaining a president. When the last president left, MBREDC President Sandy Davis, at that time was the number two person. President Davis was then promoted to her current position. Past Chairman Richardson said that President Davis had some worries and needed to be persuaded to take the job as the president. Some of President Davis' worries included dealing with political issues and giving presentations in front of large groups of people. Past Chairman Richardson told President Davis that they would assist her with those types of activities.

Past Chairman Richardson and President Davis had at least one prior meeting with Luther Barefoot. Barefoot is a business associate with the new Horry County Chairman Johnny Gardner. Barefoot also worked on County Chairman Gardner's campaign. The purpose of that meeting was to get County Chairman Gardner and Barefoot familiar with the MBREDC.

Later, a meeting with County Chairman Gardner and Barefoot was scheduled by President Davis, so the MBREDC could get them on board. They wanted to talk about what the MBREDC has done. The MBREDC wanted to brag on themselves. Past Chairman Richardson said that President Davis counted on MBREDC Chairman Henry Wilson or him to go with her to the meeting. Past Chairman Richardson said that for some reason, Chairman Wilson was unable to go to the meeting. President Davis called him on the morning of the meeting and asked him if he could attend. Past Chairman Richardson decided to spend time with his wife instead of attending the meeting. After the meeting, President Davis called him and told him that the meeting went fine. In conversations with President Davis since, Past Chairman Richardson said that President Davis told him that she never felt threatened or coerced in anyway.

Later, after the meeting, Horry County Administrator Chris Eldridge called him. Administrator Eldridge told Past Chairman Richardson that President Davis said that the meeting did not go well. Administrator Eldridge told him that President Davis said that Barefoot made an overture to use Donald Smith for some public relations work for the MBREDC. Past Chairman Richardson said that Administrator Eldridge thought that was inappropriate. Administrator Eldridge thought that President Davis had a recording, and he wanted help getting the recording. Past Chairman Richardson listened to Administrator Eldridge tell him what he was told happened at the meeting. Past Chairman Richardson said that he probably did make a comment to Administrator Eldridge, that was not the impression he got from President Davis, but if it did occur, it should not have.

Past Chairman Richardson said that he read the FitsNews article and Horry County Attorney Arrigo Carotti's narrative. Past Chairman Richardson said that he was quite surprised that it was written by an attorney. The reason for his surprise was that in the narrative it said, specifically, that President Davis had told the attorney that he (Richardson) said that he was going to call someone to give them a piece of his mind. Past Chairman Richardson said that conversation never occurred between him and President Davis. Past Chairman Richardson did not believe that President Davis told Attorney Carotti that he (Richardson) said that. If she did tell him (Carotti) that, then it was different then what she told me (Richardson).

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